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A52WX (TOP & ADD)

V(280) SECOND NIGHT LEAD DEPENDENTS

BY C. YATES MCDANIEL

WASHINGTON, NOV. 17 (AP)—THE DEFENSE DEPARTMENT ANNOUNCED TODAY THAT THE REDUCTION IN OVERSEAS DEPENDENTS OF MILITARY PERSONNEL WILL BE CARRIED OUT WITH LITTLE SEPARATION OF FAMILIES NOW ABROAD.

THIS NEWS CAME A FEW HOURS AFTER THE ARMY'S CIVILIAN BOSS HAD SEEN A THREAT TO THE ARMED FORCES' COMBAT EFFECTIVENESS IN THE REDUCTION ORDER.

SECRETARY OF DEFENSE THOMAS S. GATES JR. SAID REDUCTION OF THE TOTAL OF OVERSEAS DEPENDENTS BY ABOUT 284,000 WILL BE CARRIED OUT AT THE RATE OF AT LEAST 15,000 A MONTH AND WILL START IN JANUARY. THE REDUCTION WAS ORDERED YESTERDAY BY PRESIDENT EISENHOWER AS ONE OF SEVERAL STEPS TO REDUCE SPENDING OF U. S. DOLLARS OVERSEAS.

GATES, IN A SPECIAL MESSAGE TO ALL COMMANDS, SAID THE REDUCTION PROGRAM CAN BE CARRIED OUT MAINLY BY (A) HAVING MEN NOW OVERSEAS RETURN TO THE UNITED STATES WITH THEIR FAMILIES AT THE END OF THEIR NORMAL TOURS OF DUTY (B) RETURNING SOME WITH THEIR FAMILIES BEFORE COMPLETION OF THEIR REGULAR ASSIGNMENTS AND (C) REDUCING THE NUMBER OF DEPENDENTS SENT OVERSEAS IN THE FUTURE.

GATES ADDED THE DEPENDENTS PROGRAM SHOULD BE CARRIED OUT WITHOUT REGARD TO RANK OR STATION. HE SPECIFICALLY EXCLUDED FROM THE PROGRAM ARMED FORCES UNITS IN ALASKA, HAWAII, THE PANAMA CANAL ZONE, THE MARIANNAS, MARSHALL, MIDWAY, SAMOA AND VIRGIN ISLANDS AND PUERTO RICO.

IN AN APPARENT EFFORT TO OFFSET ANY ADVERSE EFFECT ON MORALE, GATES REQUESTED THE COMMANDERS TO GIVE THIS INFORMATION THE WIDEST POSSIBLE DISSEMINATION.

EARLIER IN THE DAY, SECRETARY OF THE ARMY WILBER BRUCKER BECAME THE FIRST HIGHLY PLACED OFFICIAL TO ENTER ANY SORT OF PUBLIC DISSENT FROM THIS PART OF EISENHOWER'S MULTI-PHASED MOVE AGAINST U. S. OVERSEAS SPENDING.

BRUCKER SAW IN THE DEPENDENT REDUCTION A THREAT TO COMBAT EFFECTIVENESS AND HE EXPRESSED SYMPATHY FOR THOSE AFFECTED BY IT.

BRUCKER'S REACTION BROUGHT NO IMMEDIATE OFFICIAL COMMENT FROM THE DEFENSE DEPARTMENT OR OTHER HIGH ADMINISTRATION SOURCES. SOME OFFICERS DISPUTED HIS VIEWS, HOWEVER.

SPEAKING TO A MILITARY AUDIENCE AT THE ARMY'S BIG INFANTRY TRAINING CENTER AT FT. BENNING, GA., BRUCKER SAID HE FELT "MUCH THE SAME AS YOU DO" ABOUT THE ORDER. IT ULTIMATELY WILL AFFECT MORE THAN HALF OF THE APPROXIMATELY 483,000 DEPENDENTS WITH SERVICEMEN OVERSEAS.

BRUCKER ACKNOWLEDGED THE WHITE HOUSE DIRECTIVE IS AN ORDER TO BE CARRIED OUT. BUT HE EXPRESSED HIS CONCERN ABOUT THE IMPACT ON MORALE WHEN HE SAID:

"I WILL DO EVERYTHING IN MY POWER TO DIMINISH THE BLOW TO THEM (ARMY FAMILIES) AND TO SOFTEN THE EFFECT ON THE COMBAT EFFECTIVENESS AND MORALE OF OUR ARMY." AND HE IMPLIED HE'D MAKE THE PROCESS FOR THE ARMY A DELIBERATE ONE BY CAREFUL EXAMINATION OF EACH STEP BEFORE IT IS TAKEN.

BRUCKER'S REMARKS WERE RELEASED THROUGH HIS OFFICE HERE.

THE PRESIDENT'S ORDER WAS PINNED SPECIFICALLY TO THE ADMINISTRATION PLAN TO REDUCE THE OUTFLOW OF AMERICAN DOLLARS BUT BRUCKER IGNORED THIS ASPECT OF THE PROBLEM.

HE PROMISED HE WOULD POINT OUT TO THE DEFENSE DEPARTMENT EVERY LAST FACTOR INVOLVED IN THE DECISION TO REDUCE THE NUMBER OF OVERSEAS MILITARY DEPENDENTS "SO THAT THE IMPACT OF EACH STEP IN EACH AREA IS CLEARLY BROUGHT OUT BEFORE THAT STEP IS TAKEN."

THE SECRETARIES OF THE NAVY AND THE AIR FORCE REMAINED SILENT ON THE SUBJECT, THEIR SPOKESMEN SAYING ONLY THAT THEIR TWO SERVICES WOULD WORK HARD TO MAKE THE POLICY SUCCESSFUL.

THE ARMY HAS 248,000 MILITARY DEPENDENTS ABROAD, MORE THAN HALF OF THE TOTAL NUMBER. THE AIR FORCE RANKS SECOND IN NUMBER OF DEPENDENTS OVERSEAS WITH 197,438, TRAILED BY THE NAVY WITH 37,837.

GATES SAID LAST NIGHT, IN SUPPORTING THE PRESIDENT'S DECISION, THAT HE WAS SURE U. S. MILITARY MEN WOULD TAKE THIS DEVELOPMENT IN STRIDE AND THAT THERE WOULD BE NO LOSS OF MILITARY EFFECTIVENESS.

OTHER PENTAGON OFFICIALS HELD UP THE EXAMPLE OF THE MARINE CORPS TO CONTRADICT BRUCKER'S VIEWS. SEVERAL YEARS AGO, THE CORPS, FOR THE ANNOUNCED PURPOSE OF INCREASING THE READINESS OF MARINES TO FIGHT OR MOVE IN A HURRY, ORDERED THE RETURN OF ITS DEPENDENTS AND HAS SINCE FORBIDDEN MARINE FAMILIES TO GO OVERSEAS WITH A VERY FEW EXCEPTIONS.

THESE OFFICIALS SAW A LIKELIHOOD OVER-ALL MILITARY MORALE AND READINESS OVERSEAS MIGHT WELL BE IMPROVED.

THE ARMY ITSELF OFTEN HAS POINTED WITH PRIDE TO THE HIGH MORALE AND COMBAT-READINESS OF THE FIRST CAVALRY DIVISION AND THE 7TH INFANTRY DIVISION NOW MANNING THE BLEAK, COMFORTLESS LINE IN KOREA--ALL WITHOUT FAMILIES.

THE COUNTRIES THAT WILL BEAR THE BRUNT OF THE ADMINISTRATION DECISION TO CUT BACK THE NUMBER OF MILITARY FAMILIES ARE GERMANY, FRANCE, THE UNITED KINGDOM AND JAPAN.

A153WX

U R G E N T

FIRST LEAD FOREIGN SPENDING
WASHINGTON, NOV. 17 (AP)—ARMY SECRETARY WILBER M. BRUCKER EXPRESSED IMPLIED CONCERN TODAY THAT COMBAT EFFECTIVENESS AND MORALE OF THE ARMY WILL BE HURT BY THE PRESIDENTIAL ORDER REDUCING THE NUMBER OF U. S. MILITARY DEPENDENTS OVERSEAS.

IN A STATEMENT RELAYED FROM FORT BENNING, GA., BRUCKER SAID HE WOULD "DO EVERYTHING IN MY POWER TO DIMINISH THE BLOW TO THEM (ARMY FAMILIES) AND TO SOFTEN THE EFFECT ON THE COMBAT EFFECTIVENESS AND MORALE OF OUR ARMY."

BRUCKER SAID ALSO THAT THE TIGHTENED RESTRICTIONS AGAINST WIVES AND CHILDREN JOINING U. S. SERVICEMEN AT STATIONS ABROAD WILL "ALTER CONSIDERABLY" CURRENT PLANS FOR THE ROTATION OF OFFICERS AND ENLISTED MEN, AND WILL REQUIRE ADJUSTMENTS IN THE LENGTH OF OVERSEAS DUTY TOURS.

UNDER ORDERS ISSUED BY PRESIDENT EISENHOWER YESTERDAY, THE MILITARY SERVICES WILL BEGIN IN JANUARY TO RETURN HOME 284,000 DEPENDENTS OF SERVICEMEN ABROAD. THIS IS MORE THAN HALF OF THE TOTAL NUMBER

OVERSEAS.

THE MOVE IS PART OF A SEVEN-POINT PROGRAM LAID DOWN BY EISENHOWER TO DEAL WITH A MAJOR MONETARY PROBLEM--THE FACT THAT MORE DOLLARS ARE GOING ABROAD THAN ARE COMING BACK TO THIS COUNTRY.

THIS DIFFERENCE, WHICH FISCAL EXPERTS CALL AN ADVERSE BALANCE OF PAYMENTS, HAS LED TO A STEADY DROP IN THE U.S. GOLD RESERVE AS FOREIGNERS CONVERTED THE SURPLUS DOLLARS INTO GOLD.

BRUCKER SAID HE RECOGNIZED THE DIRECTIVE AS "ORDERS," BUT MEANT

TO SEE WHAT CAN BE DONE "TO AMELIORATE THE SITUATION AND SOFTEN THE IMPACT ON THE FAMILIES OF OUR ARMY."

THE ARMY HAS 248,000 DEPENDENTS OVERSEAS, MORE THAN HALF OF THE TOTAL FOR ALL OF THE MILITARY SERVICES.

BRUCKER'S STATEMENT APPEARED TO PUT HIM AT ODDS WITH THE JUDGMENT EXPRESSED LAST NIGHT BY SECRETARY OF DEFENSE THOMAS S. GATES JR. WHO TOLD REPORTERS THAT THE GRADUAL RETURN OF DEPENDENTS WOULD BE TAKEN IN STRIDE BY MILITARY MEN.

BRUCKER AND OTHER TOP DEFENSE OFFICIALS PRESUMABLY WILL BE LEAVING THE GOVERNMENT BEFORE THE DEPENDENT-RETURN PROGRAM CAN GET INTO FULL SWING. DEMOCRATIC PRESIDENT-ELECT JOHN F. KENNEDY'S ADMINISTRATION WILL TAKE OVER JAN. 20.

KENNEDY WILL INHERIT THE DOLLAR-GOLD PROBLEM AND WHAT TO DO ABOUT IT--WHETHER TO FOLLOW THROUGH ON EISENHOWER'S SEVEN-POINT PROGRAM OR MODIFY IT.

THE PROGRAM WILL NOT CUT TOTAL U.S. SPENDING -- ONLY THAT PART SPENT OVERSEAS. SOME COSTS ACTUALLY WILL GO UP AS MORE EXPENSIVE U.S. GOODS ARE BOUGHT AND SHIPPED ABROAD TO REPLACE MUCH NOW PURCHASED THERE.

IN EFFECT, THE PROGRAM IMPOSES A STRICT "BUY AMERICAN" POLICY ON THE MILITARY SERVICES AND THE INTERNATIONAL COOPERATION ADMINISTRATION, WHICH HANDLES FOREIGN AID.

THE PENTAGON INDICATED FEW OF THE DEPENDENTS NOW OVERSEAS WILL BE BROUGHT HOME AHEAD OF TIME. THE PRIMARY RELIANCE WILL BE ON SIMPLY SENDING FEW NEW FAMILIES ABROAD.

THE CUT IS TO BE MADE AT THE RATE OF 15,000 A MONTH. THAT IS ABOUT THE AVERAGE RATE AT WHICH DEPENDENTS NOW RETURN.

THE PENTAGON SAID THE PLAN IS TO BRING MOST DEPENDENTS HOME ABOUT THE TIME THE SERVICEMEN'S TOUR OF DUTY OVERSEAS EXPIRES. IN MOST CASES THE FAMILIES WILL ACCOMPANY THE SERVICEMAN BACK HOME IN WHAT THE PENTAGON CALLS THE "CONCURRENT TRAVEL" PROCEDURE.

EACH OF THE SERVICES WAS INSTRUCTED TO DRAW UP ITS OWN SPECIFIC PLANS TO CARRY OUT THE REDUCTION, EXPECTED TO BE ACCOMPLISHED IN ABOUT A YEAR AND A HALF.

ANNOUNCING THE DRASTIC FOREIGN SPENDING CURBS LAST NIGHT AT AUGUSTA, GA., EISENHOWER DECLARED IT IS IMPERATIVE TO BRING THIS COUNTRY'S OUTFLOW OF DOLLARS INTO BETTER BALANCE WITH ITS FOREIGN INCOME. THE UNITED STATES PRESENTLY FACES A 1960 DEFICIT IN "BALANCE OF PAYMENTS" WHICH COULD REACH FOUR BILLION DOLLARS.

THE UNITED STATES IS SELLING ABROAD MUCH MORE THAN IT IS BUYING THERE IN COMMERCIAL TRADE. BUT THIS BALANCE IS MORE THAN OFFSET BY HEAVY MILITARY AND FOREIGN AID EXPENDITURES IN OTHER COUNTRIES AND BY PRIVATE U.S. INVESTMENTS THERE. ALL THESE AFFECT THE BALANCE OF PAYMENTS.

ONE PURPOSE OF THE SWEEPING CURBS IS TO MAINTAIN WORLD CONFIDENCE IN THE DOLLAR, THE PRESIDENT MADE CLEAR. ANOTHER IS TO PROTECT THIS COUNTRY'S 18 BILLION DOLLAR GOLD RESERVE AGAINST FURTHER SHRINKAGE.

ALL AGENCIES AND DEPARTMENTS OF THE FEDERAL GOVERNMENT WITH FOREIGN OPERATIONS, INCLUDING THE STATE DEPARTMENT, WERE TOLD BY THE PRESIDENT TO DETERMINE WHAT THEY COULD DO TOWARD ECONOMIZING ON FOREIGN COSTS BY RETURNING DEPENDENTS AND WHERE POSSIBLE REDUCING PERSONNEL. THEIR ACTION PLANS TOGETHER WITH THOSE OF THE MILITARY SERVICES ARE TO BE IN EISENHOWER'S HANDS BY DEC. 15.

NEW PRESSURE WAS ORDERED TO BREAK DOWN REMAINING BARRIERS OF FOREIGN COUNTRIES AGAINST IMPORTS OF U.S. GOODS. THE OBJECT OF THIS IS TO INCREASE INCOME FROM TRADE AS WELL AS TO CURTAIL EXPENDITURES ABROAD.

THE DECISION TO BRING HOME THE THOUSANDS OF DEPENDENTS WAS THE MOST DRAMATIC OF THE PRESIDENT'S ORDERS. THE DEFENSE DEPARTMENT SAID THAT THE LARGEST NUMBER OF DEPENDENTS ARE IN FOUR COUNTRIES: GERMANY 195,218, JAPAN 56,589, FRANCE 41,952, BRITAIN 38,147.

THE REST OF THE 484,063 DEPENDENTS NOW OVERSEAS ARE SCATTERED IN SMALLER GROUPS IN OTHER COUNTRIES. BY SERVICES THEY INCLUDE IN TOTAL:

ARMY 248,788, AIR FORCE 197,438, AND NAVY AND MARINES 37,837.

SECRETARY OF DEFENSE THOMAS S. GATES JR. TOLD REPORTERS HE SUPPORTED THE MOVE TO BRING HOME DEPENDENTS AND HE DID NOT THINK IT WOULD HURT MORALE OR DECREASE THE COMBAT EFFECTIVENESS OF THE FORCES.

"OUR PEOPLE REALIZE WE ARE AT WAR, A NEW KIND OF WAR," GATES SAID. "OUR CAREER PEOPLE ARE DEDICATED TO THE SERVICE OF THEIR COUNTRY AND WILL UNDERSTAND THE NEED OF THIS ACTION."

FIRST REACTION OVERSEAS BOTH SUPPORTED AND CONTRADICTED GATES' ASSESSMENT. AN OLD ARMY MAJOR WITH A WIFE AND TWO CHILDREN SAID IN FRANKFURT THAT "THIS IS JUST ARMY LIFE, THE LIFE WE CHOSE." HE NOTED THAT HIS WIFE HAD BEEN WITH HIM FOR ONLY 10 OF HIS 20 YEARS IN THE ARMY.

AN ARMY WIFE TOOK A DIFFERENT VIEW OF BEING SENT HOME WITHOUT HER HUSBAND. "I DON'T LIKE IT AT ALL IF IT'S JUST DEPENDENTS," SHE SAID. "THAT'S ME GOING BACK BY MYSELF WITH FIVE KIDS."

THE DEFENSE DEPARTMENT ESTIMATED THAT OVERSEAS DEPENDENTS SPEND AN AVERAGE OF \$1,000 EACH PER YEAR. BRINGING HOME 284,000 OF THEM THUS WOULD EVENTUALLY CUT \$284 MILLION A YEAR FROM SPENDING OF U.S. DOLLARS ABROAD.

TREASURY AND STATE DEPARTMENT OFFICIALS SAID THE TOTAL SAVING OF THE PROGRAM ONCE IT IS MADE FULLY EFFECTIVE SHOULD AMOUNT TO A BILLION DOLLARS OR MORE IN ONE TO TWO YEARS FROM NOW. THEY FIGURED A \$500 MILLION SAVING IN FOREIGN EXPENSES OF THE DEFENSE DEPARTMENT AND A \$330 MILLION SAVING THROUGH FOREIGN AID PROCUREMENT OF GOODS IN THE UNITED STATES INSTEAD OF ABROAD. THE REMAINING \$170 MILLION WOULD BE SAVED BY VARIOUS OTHER PROVISIONS OF EISENHOWER'S ORDER.

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B20WY Q

(320) KENNEDY-OVERSEAS

WASHINGTON, NOV. 17 (AP)--PRESIDENT EISENHOWER'S PROGRAM TO CUT U. S. SPENDING ABROAD WILL JUST BE GETTING UNDERWAY BY THE TIME EISENHOWER LEAVES OFFICE NEXT JAN. 20.

THE TASK OF CARRYING IT THROUGH, THE REDUCTION IN MILITARY DEPENDENTS OVERSEAS AND THE "BUY AMERICAN" POLICY FOR U. S. AGENCIES WILL THUS BE UP TO PRESIDENT-ELECT JOHN F. KENNEDY.

WHILE KENNEDY HAS NOT ANNOUNCED HIS STAND, IT SEEMS LIKELY THAT THE ACTIONS ORDERED BY EISENHOWER IN THE DIRECTIVE ISSUED LAST NIGHT AT AUGUSTA, GA., WILL BE REVIEWED--AND POSSIBLY REVISED -- BY THE NEW ADMINISTRATION.

THERE IS STRONG INDICATION, HOWEVER, THAT THE DRAIN ON U. S. DOLLARS AND GOLD TO FOREIGN COUNTRIES IS RECOGNIZED AMONG KENNEDY'S ADVISERS AS A SERIOUS PROBLEM CALLING FOR SOME KIND OF ACTION. THIS LEADS TO THE SPECULATION THAT KENNEDY WOULD NOT SUMMARILY CANCEL THE PROGRAM BUT WOULD RATHER REVIEW IT AND POSSIBLY ADOPT ADDITIONAL OR ALTERNATIVE MEASURES.

IN A SPEECH YESTERDAY JOHN KENNETH GALBRAITH, AN ECONOMIC ADVISER TO

KENNEDY, SAID THAT THE DOLLAR LOSS IN U. S. INTERNATIONAL ACCOUNTS "JUST CANNOT CONTINUE." THE HARVARD UNIVERSITY ECONOMICS PROFESSOR DECLARED THAT GOVERNMENT EFFORTS IN THE PAST HAD BEEN "TOO SLOW AND TOO LITTLE" IN DEALING WITH THIS PROBLEM.

AMONG OTHER THINGS GALBRAITH CALLED FOR THE FORMATION OF A FEDERAL AGENCY TO GIVE UNIFIED DIRECTION TO ALL GOVERNMENT PROGRAMS INVOLVING EXPENDITURES ABROAD. HE SAID THAT THE GOVERNMENT MUST UNDERTAKE TO EXPAND U. S. EXPORTS AND SEE TO IT AT THE SAME TIME THAT AMERICAN PRODUCTS ARE COMPETITIVE WITHIN THE UNITED STATES.

GALBRAITH'S SPEECH WAS PREPARED IN ADVANCE OF THE AUGUSTA ANNOUNCEMENT AND EMPHASIZED HIS OWN IDEAS FOR DEALING WITH THE UNFAVORABLE BALANCE OF PAYMENTS SITUATION.

SPECIFIC MEASURES HE MENTIONED INCLUDED SURVEYING U. S. MILITARY EXPENSES ABROAD TO GET THE BEST POSSIBLE DEPLOYMENT OF FORCES FOR THE COST INVOLVED AND THE MAINTENANCE OF INTEREST RATES HIGH ENOUGH TO SECURE DEPOSITOR CONFIDENCE.

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A55

PMS BUDGET (350)

DEPENDENTS (WITH WASHINGTON)

BY RAYMOND E. PALMER

LONDON, NOV. 17 (AP)--AMERICAN TROOPS AND WIVES--AND THE LOCAL SHOPKEEPERS--IN BRITAIN, GERMANY AND ELSEWHERE MOANED TODAY OVER THE NEWS THAT YANKEE DEPENDENTS MAY SOON BE GOING HOME.

THE PEACE OF MIND OF SERVICE FAMILIES WAS DISTURBED BY PRESIDENT EISENHOWER'S ORDER FOR A GRADUAL REDUCTION OF THE 484,000 DEPENDENTS OVERSEAS TO 284,000. THE ORDER IS PART OF HIS PLAN TO SAVE ONE BILLION DOLLARS A YEAR IN U.S. OVERSEAS SPENDING.

AT LEAST PART OF THE REDUCTION WILL BE OBTAINED BY CUTTING DOWN ON THE NUMBER OF DEPENDENTS SENT WITH NEW MEN REPLACING THOSE ROTATED HOME.

BUT IT WAS ASSUMED MANY OF THE 195,000 DEPENDENTS IN GERMANY, THE 41,000 IN FRANCE AND THE 38,000 IN BRITAIN WILL SOON BE GOING HOME.

"I DON'T LIKE IT AT ALL IF IT'S JUST DEPENDENTS. THAT'S ME GOING BACK BY MYSELF WITH FIVE KIDS," SAID THE WIFE OF AN ARMY WARRANT OFFICER AT HANAU, GERMANY.

ANOTHER MOTHER SAID "SURE IT COSTS MORE TO SEND DEPENDENTS OVER HERE BUT FEW OF US HAVE PERMANENT HOMES IN THE UNITED STATES. IT WOULD BE AN UNDUE HARDSHIP ON US TO MAKE US STAY THERE WHEN OUR HUSBANDS ARE ABROAD."

"THIS WILL CREATE A SERIOUS MORALE PROBLEM," SAID AN AIR FORCE CAPTAIN IN GERMANY. "WHAT THEY'LL HAVE TO DO IS TO CUT THE OVERSEAS TOUR OF DUTY, NOW THREE YEARS. I DON'T MIND BEING SEPARATED FROM MY FAMILY IN WAR BUT PEACETIME IS DIFFERENT."

BUT AN ARMY MAJOR IN FRANKFURT TOOK THE PHILOSOPHICAL VIEW.

"THIS IS JUST ARMY LIFE, THE LIFE WE CHOSE," HE SAID. "I CAN ALSO SPEAK FOR MY WIFE AND WE'LL ACCEPT ORDERS WITHOUT GRUMBLING. AFTER ALL, WE'VE BEEN SEPARATED 10 OUT OF THE 20 YEARS I'VE BEEN WITH THE ARMY."

IT DID NOT SEEM LIKELY THAT THE NEWS WOULD BE ANY MORE WELCOME TO THE THRIVING BUSINESSES BUILT UP AROUND AMERICAN INSTALLATIONS TO CATER TO SERVICEMEN.

IN BRITAIN AMERICAN SERVICEMEN AND THEIR FAMILIES SPENT \$58 MILLION LAST YEAR ON RENTS, UTILITIES, FOOD AND RECREATION. LOCAL TRADESMEN HAVE COME TO DEPEND HEAVILY ON THIS BUSINESS.

IN THE LAST FISCAL YEAR U.S. FORCES IN BRITAIN PAID MORE THAN \$77 MILLION TO BRITISH GOVERNMENT AGENCIES FOR SUPPLIES AND SERVICES, INCLUDING CONSTRUCTION, COMMUNICATION FACILITIES, TRANSPORTATION AND THEIR LIKE.

LAST MONTH A \$2 MILLION HIGH SCHOOL WAS COMPLETED FOR 568 PUPILS AT LAKENHEATH U.S. AIR FORCE BASE.

THERE ARE 9,855 STUDENTS IN 25 AMERICAN SCHOOLS IN BRITAIN. THE KIDS THEMSELVES ARE A GOOD ECONOMIC CRUTCH FOR NEARBY STOREKEEPERS WITH THEIR EXPENDITURES FOR CANDY, RECORDS, BOOKS, BICYCLES AND OTHER ITEMS.

THE REACTION IN GERMANY RANGED FROM RARE AGREEMENT TO OPEN DISSENT. ARGUING AGAINST THE BULK OF OBJECTORS WERE PEOPLE LIKE MRS. CHARLES D. TIEDEMAN, OF MOBILE, ALA., WIFE OF AN AIR FORCE WARRANT OFFICER AT BITBERG.

"IT'S A GOOD IDEA," SHE COMMENTED. "THE WHOLE DEPENDENT PROGRAM WASTES A LOT OF MONEY. IF THE TOUR OF DUTY WERE SHORTENED TO 18 MONTHS AND FAMILIES KEPT IN THE STATES, IT WOULD BE BETTER. I THOUGHT SO EVEN BEFORE THIS NEW ORDER."

MORE COMMON WAS THE REACTION OF MRS. JOHN S. JAMES (CQ) OF COLUMBIA, S.C., WIFE OF A FIRST LIEUTENANT:

"IT KIND OF KNOCKED THE PROPS OUT FROM UNDER US. WE LOVE IT OVER HERE I HOPE WE DON'T HAVE TO GO BUT IF WE GO, I HOPE WE'RE THE LAST."

A CAPTAIN FROM GEORGIA WHO PREFERRED TO BE UNNAMED HAD THIS TO SAY:

"I DON'T LIKE IT AT ALL. WE'RE ALMOST WILLING TO STAY AT OUR OWN EXPENSE IN ORDER TO KEEP FROM BREAKING UP THE FAMILY."

AS EXCITEMENT OVER THE EISENHOWER ORDER SPREAD THROUGH U.S. MILITARY BASES THE FIRST QUESTIONS ASKED WERE "HOW ARE THEY GOING TO DO IT?" AND "WILL IT AFFECT ME?"

MOST OF THOSE WHO COMMENTED ASKED THAT THEIR NAMES NOT BE USED, PRESUMABLY BECAUSE PUBLIC CRITICISM OF MILITARY ORDERS MIGHT HURT THEIR PROMOTION CHANCES.

"YOU CAN BE QUITE SURE THERE WILL BE A PRETTY LOUD REACTION FROM SERVICEMEN ALREADY ABOARD," SAID A NAVY CHIEF PETTY OFFICER AT THE U.S. EMBASSY IN ROME. "MOST OF THEM WENT OVERSEAS WITH THE UNDERSTANDING THEIR FAMILIES WOULD GO WITH THEM. I WOULDN'T EXPECT MANY PEOPLE TO BE HAPPY IF THIS PROMISE IS BROKEN."

A MEMBER OF THE HAGUE EMBASSY MILITARY STAFF SAID "IT WOULD BE INTERESTING TO KNOW WHOM IT WILL AFFECT. IF IT WERE TO AFFECT ENLISTED PEOPLE ONLY IT WOULD BE VERY BAD FOR MORALE."

ONE REACTION IN GERMANY, SOMEWHAT DIFFERENT, CAME FROM MRS. MARGARET KNOTTS OF 11 CHESTNUT ST., CALDWELL, N.J.

"I WOULD NOT MIND AT ALL GOING BACK TO THE UNITED STATES," SHE SAID. "I COME FROM AUSTRIA ORIGINALLY AND I LIKE SHOPPING IN AMERICA."

AN ARMY CIVILIAN EMPLOYEE AT A FRENCH BASE, WHOSE PERSONNEL HAVE ABOUT 10,000 DEPENDENTS, SAID: "NOBODY'S RIOTING IN THE STREETS HERE. WE AREN'T GOING TO GET EXCITED UNTIL WE KNOW WHAT THE ARMY IS GOING TO DO. WE'VE ALL SEEN ARMY ORDERS COME AND GO. IN HOLLAND, CAPT. WILLIAM SPEARS, NAVAL AND AIR ATTACHE, SAID "I AM SURE THEY WON'T LIKE IT."

MILITARY SOURCES DECLINED TO ESTIMATE HOW MUCH MONEY WOULD BE SAVED IN GERMANY BY THE ORDER.

BUT IT WAS POINTED OUT THAT THE VAST MAJORITY OF THE 200,000 WIVES AND CHILDREN OF SERVICE MEN IN EUROPE LIVE IN GERMANY. AND IT WAS ESTIMATED THAT EACH DEPENDENT SPENDS AT LEAST \$1,000 A YEAR ON THE GERMAN ECONOMY. BUT THE ARMED SERVICES SPEND EVEN MORE IN MAINTAINING HOUSE, RECREATION AND OTHER FACILITIES.

WD149PES

A69

(580)

GI REACTION (WITH LONDON BJT)

BY KENNETH ISHII

TOKYO, NOV. 17 (AP)--FROM U.S. HOUSEWIVES HANGING OUT THE WASH IN JAPAN'S "LITTLE AMERICAS" TO THE BUSINESSMAN IN TOKYO'S WALL STREET, THE REACTION WAS THE SAME: DISMAY.

PRESIDENT EISENHOWER'S DIRECTIVE FOR THE GRADUAL CUTTING OF THE NUMBER OF U.S. MILITARY DEPENDENTS OVERSEAS AND CLAMPING DOWN ON U.S. MILITARY AND NONMILITARY PURCHASES ABROAD COULD AFFECT 50,000 AMERICANS HERE.

"I'D LIKE TO GO HOME, BUT NOT WITHOUT MY HUSBAND," SAID MRS. BOBBY K. ISON, WIFE OF A NAVY ELECTRICIAN'S MATE FROM NAPIER, KY. "THIS IS A MAJOR DISASTER FOR US," DECLARED A SPOKESMAN FOR THE NAKAZATO TABLEWARE CO. OF TOKYO WHICH SELLS 60 PER CENT OF ITS PRODUCTION TO U.S. POST EXCHANGES IN JAPAN.

A NUMBER OF AMERICAN SERVICEMEN EXPRESSED HOPE THE NEW ADMINISTRATION OF PRESIDENT-ELECT JOHN F. KENNEDY WOULD REVOKE THE EISENHOWER DIRECTIVES.

"WHY DIDN'T IKE ANNOUNCE THIS BEFORE THE ELECTION?" SNAPPED A NAVY MAN FROM SAN FRANCISCO, WHO ASKED THAT HIS NAME NOT BE USED. ON THE OTHER HAND JEAN GASSAWAY, WIFE OF A DAYTON, OHIO, AIR FORCE TECHNICAL SERGEANT, SAID "IT IS NOT NECESSARY TO HAVE ALL THE PEOPLE OUT HERE THEY NOW HAVE. THEY SHOULD SEND MORE SINGLE PEOPLE."

DR. FREDERICK HARRIS OF PORTLAND, ORE., PRINCIPAL OF AN AMERICAN CIVILIAN SCHOOL WHICH HAS MILITARY WIVES AND CHILDREN AMONG ITS TEACHERS AND PUPILS, SAID "I JM NOT SURPRISED AT THE MOVE. OVERSEAS DEPENDENTS COST A MINT OF MONEY." BUT HE ADDED IT WOULD "MESS UP OUR OPERATIONS."

IN KOREA ARMY REACTION WAS MUCH THE SAME. M.SGT. LEONARD J. RULON OF BURNET, TEX., SAID THE DIRECTIVE "WOULD BE VERY DISAPPOINTING TO THOSE WHO HAVE ALREADY APPLIED FOR EXTENSION OF THEIR TOURS IN THIS AREA."

M.SGT. DAN CONLEY OF (723 DUVAL ST.) SAN DIEGO, CALIF., SAID "I'LL BE VERY DISAPPOINTED IF I AM NOT ALLOWED TO TAKE MY FAMILY WITH ME" WHEN HE IS TRANSFERRED TO EUROPE NEXT YEAR.

THERE ARE ABOUT 860 DEPENDENTS IN KOREA.

THERE WAS SPECULATION HERE ON THE POSSIBLE EFFECT OF THE ORDER ON JAPANESE PARLIAMENTARY ELECTIONS NEXT SUNDAY. IT IS POSSIBLE THE OPPOSITION SOCIALISTS WILL PLAY ON THE THEME THAT THE JAPANESE ECONOMY IS TIED TOO CLOSELY TO THE UNITED STATES.

"IF CARRIED OUT TO THE LETTER, THE DIRECTIVE WOULD SERIOUSLY HIT POST EXCHANGE PURCHASES OF SUCH JAPANESE MANUFACTURES AS COSTUME JEWELRY, PEARLS, CHINA, SILK, CAMERAS AND CIGARETTE LIGHTERS.

AN OFFICIAL OF THE JAPAN CAMERA INDUSTRY ASSOCIATION SAID "MAKERS WILL BE HURT BADLY." IN 1959 JAPANESE CAMERA MANUFACTURERS SOLD \$4,340,000 WORTH OF GOODS TO U.S. POST EXCHANGES IN JAPAN, SOUTH KOREA AND OKINAWA.

A SPOKESMAN FOR SONY CORP., MAKERS OF TRANSISTOR RADIOS, PREDICTED, HOWEVER, THAT IF AMERICANS CANNOT BUY JAPANESE PRODUCTS IN THE PX THEY CAN SHOP IN THE JAPANESE MARKET.

IN TACHIKAWA NEAR TOKYO WHERE TWO-THIRDS OF THE 10,000 DEPENDENTS AT THE GIANT U.S. TACHIKAWA AIR FORCE BASE LIVE IN OFF-BASE PRIVATE HOMES, CITY GENERAL AFFAIRS DIRECTOR KENICHI NAKAJIMA SAID:

"I CERTAINLY CAN SAY THAT BUSINESSES HERE HAVE BEEN QUITE DEPENDENT ON SPENDING BY PEOPLE AT THE BASE. IT WILL BE QUITE A LOSS TO THE CITY."

OFFICIALS OF THE TRADE AND INDUSTRY MINISTRY DECLARED THEY BELIEVED THE PRESIDENTIAL DIRECTIVES WOULD HAVE LITTLE EFFECT ON JAPAN'S OVER-ALL ECONOMY, HOWEVER.

THEY NOTED THAT JAPAN'S TOTAL EXPORTS IN 1959 AMOUNTED TO \$3,456,492,000 WHILE U.S. MILITARY AND CIVILIAN SPENDING IN JAPAN CAME TO ABOUT \$470 MILLION, OR 13 PER CENT.

IN SOUTH KOREA, THE SALE OF KOREA-MADE ITEMS IN U.S. POST EXCHANGES LAST YEAR AMOUNTED TO ONLY \$500,000 DOLLARS, MAINLY HANDICRAFT ITEMS AND SOUVENIRS. MOST OF THE \$40 MILLION SPENT BY THE MILITARY IN KOREA WENT FOR CONSTRUCTION AND LABOR.

ON FORMOSA, A CHINESE NATIONALIST GENERAL SAID THAT UNLESS THE REASONS FOR THE ORDER WERE UNDERSTOOD THOROUGHLY IN ASIA, IT MIGHT HAVE A DISTURBING EFFECT. HE SAID SOME PEOPLE MIGHT INTERPRET AN

EXODUS OF DEPENDENTS AS THE BEGINNING OF AN AMERICAN PULLBACK. THE RESPONSE OF LANDLORDS, SHOPKEEPERS AND OTHER CHINESE ON FORMOSA COULD BE SUMMED UP: "YANKEE, DON'T GO HOME." MC730AES

BY TOM OCHILTREE

ALCONBURY, ENGLAND, NOV. 17 (AP)—A GREAT FEELING OF RELIEF SWEEPED THIS U.S. AIR FORCE BASE TONIGHT AT THE NEWS THE WIVES AND CHILDREN OF AMERICAN SERVICEMEN WILL NOT HAVE TO PACK THEIR BAGS AFTER ALL.

PRESIDENT EISENHOWER WAS STILL DETERMINED TO SAVE ON DOLLAR SPENDING OVERSEAS, BUT NOT AT THE EXPENSE OF SEPARATING SERVICE FAMILIES ALREADY SETTLED ABROAD.

THE LATEST DEFINITION OF THE PRESIDENT'S PLAN ARRIVED HERE AFTER A SOMBER RAIN-SOAKED DAY.

ORIGINALLY IT WAS ASSUMED THAT A GREAT MANY AMERICAN SERVICE FAMILIES IN THIS EAST ANGLIA AREA -- AND INDEED THROUGHOUT THE WORLD -- WOULD HAVE TO HEAD FOR HOME.

BLACK AS THE PROSPECTS APPEARED THEN, THE IDEA WAS STILL ACCEPTED WITH STOICISM BY THE WHOLE OUTFIT HERE, INCLUDING THE MILITARY PERSONNEL TOTALLING 3,500 AT ALCONBURY AND NEARBY MOLESWORTH AND THEIR 4,000 DEPENDENTS.

ALL THESE PEOPLE -- THE OFFICERS, ENLISTED MEN, WIVES, KIDS AND EVEN A FEW GRANDMOTHERS -- FIND THEIR LIVES INTIMATELY CONNECTED WITH THE TWIN-JET RB66S OF THE 10TH TACTICAL RECONNAISSANCE WING.

THESE ARE THE PLANES THAT FLY FROM ALCONBURY, THE OLD WORLD WAR II AMERICAN BASE WHERE MOVIE ACTOR JAMES STEWART SET OUT ON MISSIONS OVER NAZI EUROPE.

THE RELIEF OF THE SERVICE PEOPLE AT THE NEW DEFINITION OF THE PRESIDENT'S DECISION WAS MORE THAN MATCHED BY THE SENSE OF DELIVERY EXPERIENCED BY LANDLORDS AND TRADESMEN IN HUNTINGDONSHIRE AND SURROUNDING COUNTIES.

THE WORD QUICKLY WENT AROUND THE SALOON BARS AT THE WHEATSHEAF AND THE GEORGE AND DRAGON, TWO NEARBY COUNTRY PUBS. IT REACHED THE MERCHANTS IN THE TOWN OF HUNTINGDON AND EVEN HAD AN IMPACT IN THE UNIVERSITY CITY OF CAMBRIDGE.

AMERICAN SERVICEMEN AND THEIR FAMILIES HERE SPEND \$2,600,000 A YEAR IN THE ENGLISH ECONOMY.

THE DESIRE TO ATTRACT THEIR BUSINESS HAS BROUGHT SWEEPING CHANGES TO AGE-OLD PATTERNS OF ENGLISH LIVING AND TRADING.

THE PUBS HAVE TAKEN TO ICING BEER. SOME SHOPS DISPLAY GOODS THEY REGARD AS TYPICALLY AMERICAN. CLEVER LANDLORDS GET GOOD RENT WHEN THEY PUT CENTRAL HEATING IN HALF-TIMBERED OLD HOUSES THAT STOOD ON THE EAST ANGLIA PLAIN WHEN SIR FRANCIS DRAKE WAS ENGLAND'S FIRST SAILOR.

DESPITE THE FREQUENT RAINS AND THE TENSION OF THEIR JOBS THE AMERICANS IN THIS AREA HAVE DEVELOPED REMARKABLY WARM RELATIONS WITH THE ENGLISH, SAID THE BASE PUBLIC INFORMATION OFFICER, CAPT. ROBERT BUSSJAEGER, OF 2102 SOUTH 14TH STREET, ST. JOSEPH, MO.

HE EXPLAINED THAT LIFE WAS NOT EASY HERE. BECAUSE OF A SHORTAGE OF ACCOMMODATIONS, ONLY KEY PERSONNEL LIVE ON THE BASE. OTHERS TRAVEL AS MUCH AS 20 MILES EACH DAY TO GET TO WORK.

"THERE IS AN AMERICAN FAMILY LIVING DOWN ALMOST EVERY LANE IN THIS COUNTY," BUSSJAEGER SAID. "THEY LIVE IN THATCHED COTTAGES, OLD MANOR HOUSES, OR ANY PLACE WHERE THEY CAN GET ROOM."

EDWARD K. COOK OF MOUNTAIN CITY, TENN., THE SUPERVISING PRINCIPAL OF BASE SCHOOLS AT ALCONBURY, MOLESWORTH AND CHELVESTON, SAID HE BELIEVED ANY MASS MOVEMENT OF FAMILIES WOULD HAVE HAD A DISTURBING EFFECT ON THE CHILDREN'S EDUCATION.

HE PROUDLY SHOWED OFF CHILDREN HARD AT WORK IN THE SECOND GRADE CLASSES OF MISS ELAINE R. JALONEN OF IRONWOOD, MICH., AND MISS JOYCE HANSEN OF 3541 ROSEMARY AVE., GLENDALE, CALIF. OUTSIDE ON THE AIRFIELD A GRIZZLED SERGEANT WITH A CHEST FULL

OF WORLD WAR II BATTLE RIBBONS DISCUSSED THE DEPENDENTS' QUESTION THIS WAY:

"DECISIONS ABOUT DEPENDENTS ARE TAKEN BY THE HIGHEST TOP KICK OF ALL -- THE PRESIDENT. THAT'S WHAT PRESIDENT EISENHOWER GETS PAID FOR. AT OUR LEVEL YOU KNOW THE SERVICE WILL WORK THESE THINGS OUT FOR YOU. IT'S NO SWEAT FOR US."

A SIMILAR ATTITUDE WAS VOICED IN SLIGHTLY DIFFERENT WORDS BY LT. WILLIAM LEARNARD, 417 ELM ST., CHILLICOTHE, ILL.; LT. BARRY SHIMAMURA, OF 2752 PALI AVE., HONOLULU; CHIEF MASTER SGT. JAMES STANSBURY OF 217 WEST COLLEGE AVE., LAFAYETTE, LA.; SGT. WILLIAM J. FILES OF CHERRY RUN, WEST VA.; SGT. VINCENT NAVICH OF MOOSIC, PENN.; AND SGT. RAYMOND TOZER, OF 19188 KENOSHA AVE., HARPER WOODS, MICH.

WH502PES

(ADVANCE) NEW YORK, NOV. 18 (AP)--EVERY LITTLE BIT HELPS. THAT'S THE FIRST REACTION IN FINANCIAL AND BUSINESS CIRCLES TO PRESIDENT EISENHOWER'S MOVES TO STOP SOME OF THE OUTWARD FLOW OF DOLLARS AND GOLD INTO FOREIGN HANDS.

BUT INTERNATIONAL BANKERS NOTE THAT THE MAJOR PART OF THE OUTFLOW IS STILL UNTOUCHED.

PRESIDENT EISENHOWER HAS TOLD FEDERAL AGENCIES TO CUT THEIR SPENDING ABROAD FOR FOREIGN GOODS AND FOREIGN SERVICES. HE HOPES THEREBY TO SAVE AS MUCH AS \$1 BILLION A YEAR. THIS WOULD LEAVE THE LOSS OF DOLLARS AND GOLD STILL RUNNING AT MORE THAN \$3 BILLION A YEAR.

THIS LOSS--KNOWN TECHNICALLY AS THE DEFICIT IN THE BALANCE OF PAYMENTS--HAS BEEN BUILDING UP FOR SEVERAL YEARS. IT HAS MUSHROOMED IN THE LAST THREE YEARS.

BUT IT WASN'T UNTIL THE SUDDEN RUSH OF EUROPEANS TO BUY GOLD ON THE LONDON FREE MARKET A MONTH AGO BECAUSE THEY THOUGHT THE U.S. DOLLAR WOBBLING THAT THE AMERICAN PUBLIC PAID ANY ATTENTION TO THE DRAIN ON THE U.S. TREASURY.

ITS GOLD HOARD NOW IS DOWN TO \$18 BILLION FROM A HIGH OF MORE THAN \$24 BILLION. THE SHORT TERM DOLLAR HOLDINGS OF FOREIGNERS COME TO MORE THAN \$18 BILLION. THEORETICALLY IF THEY ALL SOUGHT AT ONCE TO TURN THEIR DOLLAR HOLDINGS INTO GOLD, THE TREASURY WOULD BE STRIPPED BARE.

ACTUALLY THERE IS NO SUCH CONCERTED RUN ON THE TREASURY EITHER IN ACTION OR EXPECTED. AND IF ONE DEVELOPED THE TREASURY WOULD DOUBTLESS STOP SELLING GOLD LONG BEFORE ANY SUCH ASSAULT ON THE INTEGRITY OF THE DOLLAR COULD GET FAR.

BUT THE LOSS OF GOLD CAN'T GO ON INDEFINITELY--\$1.3 BILLION HAS LEFT THE TREASURY'S HANDS SINCE THE FIRST OF THIS YEAR. NOR CAN THE UNITED STATES GO ON SENDING \$4 BILLION A YEAR MORE OVERSEAS THAN IT GETS BACK. THAT'S WHY THE PRESIDENT HAS TAKEN STEPS TO DRAMATIZE THE SITUATION BY ORDERING A CUTBACK IN GOVERNMENT AGENCY SPENDING.

THE STEP MARKS A SHARP TURNAROUND IN U.S. POLICY FOLLOWED SINCE WORLD WAR II. FOR YEARS THE U.S. GOVERNMENT HAS POURED BILLIONS INTO FOREIGN AID TO REHABILITATE WAR TORN ALLIES AND TO BUILD UP UNDERDEVELOPED NATIONS. SUCH SPENDING PRESUMABLY IS TO CONTINUE AT ABOUT \$4 BILLION A YEAR.

SINCE THE WAR THE GOVERNMENT ALSO HAS ENCOURAGED U.S. BUSINESSMEN AND INVESTORS TO SPEND BILLIONS ABROAD FOR AMERICAN OWNED PLANTS OR AS CAPITAL FOR FOREIGN OWNED ONES. SUCH OUTFLOW OF U.S. DOLLARS IN VARIOUS FORMS OF INVESTMENT ALSO RUNS AT AROUND \$4 BILLION A YEAR.

FOR DEFENSE REASONS THE UNITED STATES MAINTAINS BASES AROUND THE GLOBE. AND ITS SPENDING ON THEM, AND THE SPENDING OF PERSONNEL AT THEM, HAS GIVEN FOREIGNERS BILLIONS MORE OF AMERICAN DOLLARS. IT IS AT THIS SPENDING THAT THE PRESIDENT'S NEW ORDERS ARE AIMED.

FOR MANY YEARS AMERICANS WERE URGED TO IMPORT FOREIGN MADE GOODS TO HELP OTHER COUNTRIES CLOSE THE DOLLAR GAP. THIS GAP CLOSED SEVERAL YEARS AGO. NOW IT'S THE OTHER WAY--WE SPEND MORE ABROAD THAN WE GET BACK AND FOREIGNERS HAVE A SURPLUS OF DOLLARS.

30.24-13449

OUR EXPORTS CURRENTLY ARE RUNNING ABOUT \$5 BILLION A YEAR ABOVE OUR IMPORTS--A BIG SPURT IN EXPORTS COMING THIS YEAR WHILE IMPORTS SLACKENED.

BUT THIS \$5 BILLION SURPLUS OF EXPORTS OVER IMPORTS HAS BEEN OVERWHELMED BY OUR OTHER FORMS OF SPENDING--FOREIGN AID, INVESTMENT ABROAD, TRAVEL OVERSEAS OR IN THE AMERICAS, COSTLY BASES ON FOREIGN SOIL.

IT'S THAT DEFICIT THAT THE PRESIDENT'S RULINGS ARE AIMED AT--AND THAT IN LARGE PART STILL MUST BE SOLVED.

END ADVANCE FOR FRIDAY PMS
K/J1006AES

A77WX

(330) HERTER
BOSTON, NOV. 17 (AP)--SECRETARY OF STATE CHRISTIAN A. HERTER SAID TONIGHT THE UNITED STATES, TO PRESERVE ITS FREEDOM AGAINST COMMUNISM, MUST CONTINUE FOR A LONG TIME TO TAKE THE LEAD IN BATTLING POVERTY AND IGNORANCE IN THE UNDERDEVELOPED NATIONS.

"WE MUST SEEK THE ALLEVIATION OF WANT AND ILLITERACY IN THE NEWLY EMERGING COUNTRIES IF WE ARE TO SURVIVE AS A FREE PEOPLE," HERTER DECLARED.

HE PICTURED THE SOVIET-CHINESE BLOC AS INCREASING ITS ECONOMIC ACTIVITIES AND PROVIDING AID AND MILITARY ASSISTANCE TO MANY COUNTRIES IN AN EFFORT "TO IMPAIR AND REDUCE WESTERN POWER AND INFLUENCE AND TO DISRUPT THE FREE WORLD ALLIANCE SYSTEM."

HERTER'S SPEECH WAS PREPARED FOR THE 36TH ANNUAL MEETING OF THE NEW ENGLAND CONFERENCE.

HE SAID THAT SINCE THE MID 1950S "THE SINO-SOVIET BLOC HAS INTENSIFIED ITS ECONOMIC AND POLITICAL PENETRATIONS OF THE LESS-DEVELOPED COUNTRIES."

BY THE FIRST OF THIS MONTH, HERTER SAID, THE BLOC HAD PROVIDED \$4.6 BILLION IN CREDITS AND GRANTS FOR ECONOMIC AND MILITARY AID TO 21 COUNTRIES ON FOUR CONTINENTS. OF THAT SUM, RUSSIA PUT UP ABOUT \$3.2 BILLION.

THE UNITED STATES, HERTER SAID, HAS SPENT APPROXIMATELY \$70 BILLION ON FOREIGN AID SINCE BEGINNING THE MARSHALL PLAN FOR EUROPEAN RECOVERY IN 1947.

THE CURRENT U. S. ANNUAL EXPENDITURE FOR AID IS ABOUT \$4 BILLION. HERTER SAID THE SUM IS DECLINING IN RELATION TO THIS COUNTRY'S ECONOMIC GROWTH. IT AMOUNTED TO 2 PER CENT OF THE GROSS NATIONAL PRODUCT IN THE EARLY 1950S WHILE IT NOW IS LESS THAN 1 PER CENT, HE SAID.

"THIS PROGRAM SEEKS TO PROMOTE THE GROWTH AND PROGRESS OF VAST UNDERDEVELOPED AREAS OF THE FREE WORLD IN AFRICA, ASIA, THE NEAR EAST AND LATIN AMERICA," HERTER SAID.

"THE SUCCESS OR FAILURE OF THIS EFFORT TO ASSIST MORE THAN A BILLION HUMAN BEINGS TO ERADICATE THE ANCIENT ILLS OF POVERTY AND IGNORANCE WILL DECISIVELY SHAPE THE FUTURE OF THIS UNEASY AND HARASSED PLANET FOR CENTURIES TO COME."

"THE UNDERTAKING WILL BE MORE PROLONGED, AND EXERTIONS AND SACRIFICES CONSIDERABLY GREATER...THAN THAT REQUIRED FOR THE ECONOMIC REHABILITATION AND RECOVERY OF WESTERN EUROPE."

EG815PES

A40

RED PARLEY (INTERPRETIVE) (400)

BY ARTHUR L. GAVSHON

LONDON, NOV. 17 (AP)--ALLIED DIPLOMATS SAID TODAY THE SUMMIT TALKS OF WORLD COMMUNIST LEADERS BEGUN IN THE KREMLIN 10 DAYS AGO HAVE GONE ON UNDULY LONG.

WESTERN EXPERTS -- PERHAPS WISHFULLY -- SPECULATED THAT MOSCOW AND PEKING WERE ENCOUNTERING DIFFICULTIES IN PATCHING UP THEIR

IDEOLOGICAL RIFT.

BUT THEY DO NOT RULE OUT A DECLARATION OF COMMON PURPOSE DESIGNED TO ILLUSTRATE POLICY UNITY BY THE CONTENDING RULERS OF RUSSIA AND RED CHINA AND THEIR FOLLOWERS.

ESSENTIALLY THE SECRET TALKS ARE BELIEVED TO BE REVOLVING AROUND RUSSIA'S PREMIER NIKITA S. KHRUSHCHEV AND RED CHINA'S PRESIDENT LIU SHAO-CHI.

THE MEETING IS, HOWEVER, BEING ATTENDED BY EVERY IMPORTANT LEADER OF WORLD COMMUNISM EXCEPT CHINA'S MAO TZE-TUNG AND ITALY'S PALMIRO TOGLIATTI.

COMMUNIST NEWSPAPERS AND RADIOS HAVE MADE NO REFERENCE TO THE CONFERENCE AS IF TO PRETEND NOTHING UNUSUAL IS AFOOT. ARRIVAL OF THE MAIN VISITING DELEGATES IN THE PAST FORTNIGHT HAS BEEN EXPLAINED AWAY AS BEING RELATED TO THE FESTIVITIES WHICH MARKED THE 43RD ANNIVERSARY OF THE SOVIET REVOLUTION NOV. 7.

WESTERN AUTHORITIES HAVE NO DIRECT AND SWIFT MEANS OF KNOWING WHAT'S BEEN GOING ON AMONG THE RED BIG-WIGS.

YET THEY ARE CONVINCED, DESPITE MOSCOW-PEIPING PROTESTATIONS OF SOLIDARITY, THAT SERIOUS IDEOLOGICAL ARGUMENTS ARE STILL GOING ON FROM RIVAL SOVIET AND RED CHINESE STANDPOINTS.

BROADLY RUSSIA HOLDS THAT COMMUNISM WILL TRIUMPH WITHOUT WAR THROUGH THE PROCESS OF PEACEFUL COEXISTENCE. CHINA MAINTAINS THIS TO BE A MARXIST-LENINIST HERESY--AND THAT COMMUNISM MUST BE READY TO CRUSH CAPITALIST IMPERIALISM BY MILITARY ACTION IN THE LAST RESORT.

SOME FAINT HINTS HAVE COME FROM PEIPING RADIO IN THE PAST FEW DAYS TO SUGGEST ALL IS BY NO MEANS WELL IN THE RED GARDEN.

ALBANIAN DEPUTY PREMIER ABDYL KELLEZI, AFTER VISITING PEIPING, WAS QUOTED AS SAYING THE CHINESE AND ALBANIAN COMMUNIST PARTIES "ARE WAGING A JOINT STRUGGLE IN DEFENSE OF THE PURITY OF MARXISM AND ARE FIGHTING ... REVISIONISM."

TODAY SHEFQET MUSARAJ, SECRETARY-GENERAL OF THE ALBANIAN WRITERS AND ARTISTS UNION, WAS QUOTED AS SAYING THE COMMUNIST PARTIES OF THE TWO COUNTRIES "HAVE WITHSTOOD IDEOLOGICAL TEST AND STILL ARE SUBJECTED TO TEST."

ALBANIAN REDS ARE THE ONLY ONES OPENLY TO HAVE SIDED WITH RED CHINA IN THE DISPUTE WITH RUSSIA.

MC/HL517AES

B62 (Q)

(320)

MEDFORD, MASS., NOV. 17 (AP)--THE SECRETARY-GENERAL OF THE NORTH ATLANTIC TREATY ORGANIZATION SAID TONIGHT THE SOVIETS HAVE ONLY THEMSELVES TO BLAME FOR THE EXISTANCE OF THE WESTERN ALLIANCE "BECAUSE NATO IS THE OUTCOME OF THEIR POLICY."

PAUL-HENRI SPAAK ALSO ENDORSED EFFORTS FOR EUROPEAN UNITY, AND SAID "THE GOOD EUROPEANS HAVE NEVER FOUND THE SLIGHTEST INCOMPATIBILITY BETWEEN THEIR FIDELITY TO EUROPE AND THEIR FIDELITY TO NATO."

"THE ULTIMATE AIM OF THE PARTISANS OF UNITED EUROPE IS, BY GIVING EUROPE BACK HER GREATNESS AND HER STRENGTH, TO MAKE OF HER A SOLID AND WORTHY PARTNER OF THE UNITED STATES IN THE DEFENSE OF THE FREE WORLD," SPAAK SAID.

SPAAK SAID NATO "IS THE MOST POWERFUL ALLIANCE WHICH HAS EVER BEEN FORMED IN PEACETIME."

SPAAK, IN A SPEECH AT THE TUFTS UNIVERSITY FLETCHER SCHOOL OF LAW AND DIPLOMACY, SAID IF THE RUSSIANS HAD NOT TRIED TO "CONSOLIDATE THEIR POWER IN EUROPE BY A COMBINATION OF GUILE AND FORCE AGAINST THE OBVIOUS WISHES OF THE PEOPLE, THE WESTERN POWERS, NOT BEING ALERTED, WOULD NOT HAVE THOUGHT OF UNITING." SPAAK SPEAKS AGAIN TOMORROW NIGHT.

SPAAK SAID ONE WEAKNESS OF THE WEST IS THAT "BECAUSE OF THE SECRECY WITH WHICH SOVIET POLICY IS CONDUCTED, WE ARE NOT. . . . VERY WELL INFORMED ABOUT WHAT IS GOING ON IN THE USSR."

ON THE OTHER HAND, HE SAID, "IT HAS BECOME ALMOST IMPOSSIBLE TO KEEP A SECRET IN THE DEMOCRATIC COUNTRIES."

HE SAID THE SOVIETS ARE "OPENLY SEEKING . . . WORLD DOMINATION. COLD WAR OR PEACEFUL CO-EXISTENCE ARE ONLY TACTICS SUITED TO THE CIRCUMSTANCES, INSPIRED BY CERTAIN REALITIES."

SPAAK PRAISED GERMAN CHANCELLOR KONRAD ADENAUER FOR HIS WORK DURING THE TIME OF GERMAN REARMAMENT, AND IN BEHALF OF THE DEFENSE COMMUNITY PLAN. "I CONSIDER THE CHANCELLOR TO BE THE GREATEST POST-WAR EUROPEAN STATESMAN," SPAAK SAID.

CREATION OF THE COMMON MARKET IN EUROPE, SPAAK SAID, "CONSTITUTED A REAL REVOLUTION IN THE DEEPEST AND MOST CONSTRUCTIVE SENSE OF THE WORD."

"I HAVE OFTEN SAID. . . THAT THE COMMON MARKET IS AS IMPORTANT TO EUROPE FROM THE ECONOMIC POINT OF VIEW AS THE STORMING OF THE BASTILLE WAS FROM THE POLITICAL POINT OF VIEW."

BC847PES

A139 (120)

GENEVA, NOV. 17 (AP)--U.S. DELEGATE CHARLES C. STELLE TOLD SOVIET DELEGATE SEMYON K. TSARAPKIN TODAY THE UNITED STATES CANNOT COMPROMISE ON ITS DEMAND THAT THERE MUST BE EFFECTIVE INTERNATIONAL CONTROL TO PREVENT VIOLATIONS OF A NUCLEAR TEST SUSPENSION AGREEMENT. STELLE ADDED THAT HE ALSO WAS SURPRISED AND DISTURBED BY WHAT HE CALLED THE SOVIET DELEGATE'S "UNREADINESS OR INABILITY" TO RETURN TO PRACTICAL NEGOTIATION ON OTHER QUESTIONS BEFORE THE BIG THREE TEST BAN CONFERENCE "ON WHICH CONSTRUCTIVE WORK MUST SURELY BE POSSIBLE."

HE WARNED THERE WILL "CONTINUE TO BE LITTLE HOPE FOR EARLY PROGRESS" IN THE DEADLOCKED TALKS UNLESS THE SOVIET SIDE GIVES "SOME SIGN THAT IT IS WILLING TO GET DOWN TO BUSINESS."

TSARAPKIN, IN A BRIEF REPLY, CHARGED IT WAS THE UNITED STATES' FAULT IF THERE HAS BEEN NO PROGRESS IN THE TALKS SINCE THE RECENT RECESS.

J1212PES

A12FX (HX, DT, FW)

(LCLS OUT)

SAN FRANCISCO, NOV. 17 (AP)--WITH MORE THAN 20 MODERN SUBMARINES TRANSFERRED FROM RUSSIA, COMMUNIST CHINA NOW HAS THE THIRD LARGEST UNDER-SEA FIGHTING FORCE IN THE WORLD, SAYS THE COMMANDER OF U.S. ANTI-SUB FORCES IN THE PACIFIC.

"AND CHINA IS STARTING TO BUILD ITS OWN SUBMARINES," SAID VICE ADM. JOHN S. THACH TO A NEWS CONFERENCE. HE IS HERE TO ADDRESS THE NAVAL RESERVE ASSOCIATION CONVENTION.

BOTH CHINESE AND SOVIET SUBS OPERATE OUT OF MAINLAND CHINESE BASES, £3 SAID.

HE LISTED RUSSIA AS FIRST IN SUBMARINE STRENGTH WITH 450. THE UNITED STATES IS SECOND, HE SAID, BUT GAVE NO OVERALL FIGURES.

RED CHINA'S SUBMARINE FORCE OUT-POWERS BRITAIN'S, HE ASSERTED. WHEN REPORTERS ASKED HIM TO CLARIFY THIS, CITING JANE'S FIGHTING SHIPS WHICH LISTS THE ROYAL NAVY WITH 50 SUBS, THACH MERELY REPEATED:

"CHINA IS STRONGER THAN BRITAIN IN SUBS." APPARENTLY NOT ALL OF BRITAIN'S UNDER-SEA FORCE IS ACTIVE.

CY1136PPS

A126

(230)

BERLIN, NOV. 18 (AP)--EAST BERLINERS ARE BEING TERRORIZED BY COMMUNIST SECRET POLICE TO PREVENT THEM TAKING PART IN THE PUBLIC LIFE OF THE WEST SECTORS OF THE DIVIDED CITY, CHANCELLOR KONRAD ADENAUER'S CHRISTIAN DEMOCRATIC PARTY CHARGED TODAY.

THE CHRISTIAN DEMOCRATS ISSUED A STATEMENT ALLEGING THAT EAST BERLINERS WHO ATTENDED POLITICAL, CULTURAL, CHURCH AND EDUCATIONAL AFFAIRS IN WEST BERLIN ARE BEING ARRESTED BY THE COMMUNIST SECRET POLICE.

30.24-13451

PEOPLE KNOWN TO HAVE ATTENDED SUCH EVENTS HAVE BEEN INTERROGATED FOR HOURS OR EVEN DAYS, THE CHRISTIAN DEMOCRATS CHARGED. SOME WERE PUT UNDER PRESSURE TO ACT AS RED SPIES IN THE WEST, IT WAS ALLEGED. THE CHRISTIAN DEMOCRATS' CHAIRMAN IN WEST BERLIN, ERNST LEMMER, PROTESTED AT WHAT HE CALLED THE TERROR ACTION. HE SAID ITS AIM IS TO MAKE IT A CRIME FOR EAST BERLINERS TO TAKE PART IN WESTERN EVENTS AND THIS IS A BREACH OF THE RIGHT TO FREE MOVEMENT THROUGHOUT THE CITY. LEMMER IS ALSO MINISTER OF ALL-GERMAN AFFAIRS IN THE GOVERNMENT OF THE WEST GERMAN FEDERAL REPUBLIC.

IN THEORY ALL THE INHABITANTS OF THE CITY CAN GO ANYWHERE THEY LIKE WITHIN THE CITY LIMITS. IN PRACTICE THE COMMUNISTS TRY TO KEEP AN EYE ON EAST BERLINERS WHO GO INTO THE WEST SECTORS.

WESTERN MOVIES AND THEATERS OFTEN ALLOW EAST GERMANS TO PAY FOR TICKETS IN EAST MARKS, WORTH LESS THAN A QUARTER OF THE WEST MARK, ON A ONE-TO-ONE BASIS. THE DIFFERENCE IS MADE UP BY THE BONN GOVERNMENT, WHERE SHOWS ARE REGARDED AS HAVING CULTURAL VALUE IN THE PROPAGANDA BATTLE.

J1134AES

B80 (Q) (300)

BY LOYAL GOULD

BONN, GERMANY, NOV. 17 (AP)-INTERIOR MINISTER GERHARD SCHROEDER TODAY ANNOUNCED PROPOSALS FOR WEST GERMANY'S FIRST LAWS TO RESTRICT TRAVEL OF EAST GERMAN COMMUNISTS IN THE FEDERAL REPUBLIC AND KEEP ITS HOME-GROWN REDS FROM GOING ABROAD.

SCHROEDER SAID THE LEGISLATION WILL BE SIMILAR TO U.S. LAWS AIMED AT PREVENTING KNOWN COMMUNISTS FROM ENTERING OR LEAVING THE UNITED STATES.

THE NEW LAW WOULD ALLOW THE BONN GOVERNMENT TO PREVENT KNOWN GERMAN REDS--WHOSE PARTY IS FORBIDDEN HERE--FROM ATTENDING COMMUNIST-SPONSORED FUNCTIONS ABROAD, SCHROEDER TOLD A NEWS CONFERENCE.

THE LAW ALSO WOULD HIT THOUSANDS OF WEST GERMAN CHILDREN MAKING ANNUAL PILGRIMAGES TO EAST GERMAN SUMMER CAMPS, LARGELY AT THE EXPENSE OF THE RED REGIME, AND COMMUNIST OFFICIALS WHO SEEK ASYLUM IN WEST GERMANY AFTER GETTING INTO NONPOLITICAL TROUBLES, SCHROEDER SAID.

LAST SUMMER, CHANCELLOR KONRAD ADENAUER SEVERELY CRITICIZED THOSE WEST GERMAN PARENTS--MANY OF WHOM HE DESCRIBED AS HAVING LIMITED FINANCIAL MEANS--WHOSE CHILDREN RETURN FROM THE EAST ZONE CAMPS SINGING THE PRAISES OF COMMUNISM.

IN REGARD TO COMMUNIST OFFICIALS FLEEING WEST, SCHROEDER SAID HIS MINISTRY OFTEN RECEIVES SMUGGLED LETTERS FROM EAST ZONE RESIDENTS COMPLAINING THAT THEIR POLITICAL TORMENTORS WIN ASYLUM IN THE WEST AFTER GETTING INTO NONPOLITICAL DIFFICULTIES AT HOME.

"WE DO NOT INTEND TO STOP THE FLIGHT OF POLITICAL REFUGEES, BUT WE THINK WE SHOULD TAKE A CLOSER LOOK AT PARTY FUNCTIONARIES WHO ONLY LEAVE THE EAST ZONE BECAUSE OF PERSONAL TROUBLES AFTER PLAYING A LEADING ROLE IN SUPPRESSING THE RIGHTS OF THEIR FELLOW GERMANS," SCHROEDER SAID.

HE ALSO SAID HE BELIEVED THE "GREAT MAJORITY OF EAST GERMAN RESIDENTS WANT US TO MAKE IT MUCH TOUGHER FOR RED AGITATORS TO TRAVEL BACK AND FORTH ACROSS THE BORDER SEPARATING THE TWO HALVES OF GERMANY."

THE LAW, WHICH SCHROEDER SAID HE EXPECTS TO GO TO PARLIAMENT FOR APPROVAL IN JANUARY, WILL NOT AFFECT BERLIN WHERE POST WORLD WAR II ALLIED TRAVEL LAWS STILL APPLY.

P1112AES

SCHWANDORF, GERMANY, NOV. 17 (AP)-A BAVARIA POLITICAN CONVICTED OF TREASON HAS DISAPPEARED AND IS BELIEVED TO HAVE GONE TO EAST GERMANY POLICE ANNOUNCED TODAY.

DR. EDUARD MAIER, 59, A MEMBER OF THE CONSERVATIVE BAVARIAN PARTY,

HAD BEEN GIVEN PERMISSION TO GO TO SCHWANDORF TO VISIT HIS SON, WHO HAD BEEN SERIOUSLY INJURED IN A TRAFFIC ACCIDENT.

MAIER, WHO IS SERVING A TWO-YEAR PRISON TERM IN LANDSBERG PRISON, HAD GIVEN HIS WORD OF HONOR TO RETURN TO PRISON NOV. 7 AFTER A FOUR-WEEK HOME VISIT.

5-66

HE DISAPPEARED SHORTLY BEFORE HE WAS DUE TO RETURN, POLICE SAID. HE WAS SENTENCED JUNE 14 BY THE WEST GERMAN FEDERAL SUPREME COURT IN KARLSRUHE FOR DELIVERING CHARACTER STUDIES OF WEST GERMAN POLITICIANS TO THE EAST GERMAN INTELLIGENCE SERVICE.

TD1214PES

A4

WARSAW, POLAND, NOV. 17 (AP)-THE OFFICIAL PRESS AGENCY PAP TONIGHT REPORTED THE ARREST OF AN ALLEGED U.S. INTELLIGENCE AGENT IDENTIFIED AS JERZY GOLDMANN OF ZERNICA.

IT WAS THE THIRD SUCH ARREST WITHIN A FEW DAYS. THE PAP REPORT SAID GOLDMANN, ARRESTED THIS WEEK, WAS A MEMBER OF A SPY NET RECENTLY CRACKED BY THE POLISH SECURITY SERVICE.

PAP SAID GOLDMANN WAS ENLISTED AS AN AGENT FOR THE U.S. INTELLIGENCE SERVICE IN WEST GERMANY WHEN VISITING FRIENDS IN 1959. IT CHARGED HE COLLECTED POLISH DEFENSE SECRETS FOR U.S. INTELLIGENCE.

S39

PRAGUE, CZECHOSLOVAKIA, NOV. 17 (AP)-COMMUNIST CZECHOSLOVAKIA TODAY PROTESTED WHAT IT CALLED REPEATED VIOLATIONS OF ITS BORDER BY WEST GERMAN CITIZENS.

A PROTEST NOTE WAS MANDATED TO THE U. S. EMBASSY FOR DELIVERY TO THE WEST GERMAN GOVERNMENT IN BONN.

THE OFFICIAL NEWS AGENCY CTK SAID THE CZECHOSLOVAK GOVERNMENT BLAMED BORDER INCIDENTS ON CIRCLES WHICH IT CLAIMED HAD THE OPEN SUPPORT OF THE GOVERNMENT OF CHANCELLOR KONRAD ADENAUER.

AS AN EXAMPLE THE NOTE CITED WHAT IT CALLED "A TYPICAL CASE" WHEN A SWASTIKA-SMEARED FREIGHT CAR WAS ALLOWED TO PASS OVER FROM WEST GERMANY TO CZECHOSLOVAK TERRITORY AUG. 6.

JES15PES

A90 LONDON, NOV. 17 (AP)--THE SOVIET TASS AGENCY REPORTED TONIGHT A U.S. NAVY PLANE BUZZED AND PHOTOGRAPHED A RUSSIAN FISHING VESSEL NOV. 14 IN NEUTRAL WATERS NORTHEAST OF THE DANISH FAEROE ISLANDS. TASS SAID THE SOVIET FLOATING FISHERY BASE ZAPOLYARYE RADIOED A DESCRIPTION, SAYING THE PLANE FLEW SO LOW THE IDENTIFICATION NUMBERS COULD BE CLEARLY SEEN. TASS DID NOT PUBLISH THE IDENTIFICATION NUMBERS OR SAY WHETHER AN OFFICIAL PROTEST WOULD BE MADE. KL9PED

A101 (350)

AP FOREIGN SERVICE ADVANCE FOR THURSDAY PMS
BY HANNS NEUERBOURG

(ADVANCE)...FRANKFURT, GERMANY, NOV. 17 (AP)--STALINGRAD DID NOT SPELL HITLER'S DOOM BUT IT WAS A PSYCHOLOGICAL TURNING POINT IN THE WAR, WITH EFFECTS STILL BEING FELT TODAY. THIS THESIS IS PUT FORWARD IN A NEW BOOK DESCRIBED BY CRITICS AS ONE OF THE FUNDAMENTAL GERMAN WORKS ON THE HISTORY OF WORLD WAR II.

THREE GERMAN GENERALS AND NINE OTHER GERMAN AND ALLIED EXPERTS HAVE CONTRIBUTED TO THE BOOK, WHICH DESCRIBES SOME OF THE MOST IMPORTANT CAMPAIGNS (H. A. JACOBSEN/J. ROHWER, ENTSCHEIDUNGSSCHLACHTEN DES ZWEITEN WELTKRIEGES, VERLAG FUR WEHRWESEN BERNARD & GRAEFE, FRANKFURT).

IN IT, WRITER-HISTORIAN WALTER GOERLITZ SAYS LATER BATTLES PROVED STALINGRAD DID NOT BREAK THE BACKBONE OF GERMAN OFFENSIVE POWER AND THEREFORE WAS NOT THE DECISIVE EVENT OF WORLD WAR II. BUT, HE ADDS, THIS DEFEAT DWINDLED THE "MYSTIC, UNEXPLAINABLE CONFIDENCE" IN HITLER AND STIRRED THE ANTI-NAZI CONSPIRACY AMONG THE MILITARY.

"AND FROM STALINGRAD UP TO THE PRESENT TIME, THE DISTRUST CAN BE FELT REGARDING ANY FORM OF LEADERSHIP, AGAINST BASIC MILITARY VALUES,

HONOR, DISCIPLINE, OBEDIENCE AND READINESS TO SACRIFICE," GOERLITZ SAYS. "HITLER PERVERTED THEIR MEANINGS."

OTHER OBSERVATIONS IN THE BOOK:

BATTLE OF BRITAIN -- HISTORIAN DR. KARL KLEE SAYS HITLER "LACKED THE STRONG DETERMINATION" TO MAKE THE GERMAN INVASION AND THE LUFTWAFFE BOMBINGS A FULL SUCCESS BUT THAT THE FAILURE WAS CHIEFLY DUE TO THE FACT THAT LUFTWAFFE AND NAVY WERE NOT GIVEN THE NECESSARY PRIORITY IN ARMAMENT. THIS WAS BECAUSE THE 1940 BUILDUP OF THE GROUND FORCES FOR THE ATTACK ON RUSSIA A YEAR LATER ALREADY OCCUPIED A MAJOR PART OF THE GERMAN ARMAMENT POTENTIAL.

MOSCOW--WHEN THE ATTACK ON MOSCOW BEGAN IN THE FALL OF 1941, FORMER INFANTRY GEN. RUDOLF HOFFMANN WRITES, THERE WERE ONLY 300 SPARE ENGINES FOR TANKS AVAILABLE ON THE ENTIRE 2,000-MILE FRONT--AND NOT A SINGLE NEW TANK. AFTER INITIAL SUCCESSES, "GENERAL HUB" TOOK OVER COMMAND.

BATTLE OF THE BULGE--HITLER THOUGHT THIS WOULD TURN THE TIDE OF WORLD WAR II, HOPING HIS BATTERED TROOPS WOULD REPEAT THE BLITZKRIEG FEATS OF 1940. BUT, SAYS FORMER PANZER GEN. HASSO VON MANTENUFFEL, THE "ALLIED MILITARY LEADERSHIP REACTED QUICKLY AND ENERGETICALLY" AND THE OFFENSIVE FAILED. EVEN IF IT HAD BEEN SUCCESSFUL, MANTENUFFEL CONCLUDES, ALLIED VICTORY WOULD HAVE BEEN DELAYED NO LONGER THAN A FEW WEEKS. BENEFITING WERE THE RUSSIANS: "THEIR SURPRISINGLY RAPID SUCCESS WAS WITHOUT DOUBT DIRECTLY CONNECTED WITH THE BATTLE OF THE BULGE. THE SO-CALLED TIME ADVANTAGE IN THE WEST WAS AN ILLUSION: THE RED ARMY WAS THE FIRST TO CAPTURE BERLIN."

END ADVANCE FOR THURSDAY PMS--MOVED NOV. 16.

VD/RP34AES

A124

(320)

BY TONY ESCODA

BANGKOK, THAILAND, NOV. 17 (AP)--THE SOUTHEAST ASIA TREATY ORGANIZATION'S MILITARY PLANNERS AGREED TODAY ON REVISION OF DEFENSE PLANS TO MEET COMMUNIST INTERNAL THREATS IN THE TREATY AREA, INFORMED SOURCES SAID.

THE PROBLEM OF LAOS, POLITICALLY DIVIDED AND MENACED BY A STRONG INTERNAL COMMUNIST MOVEMENT, WAS THE CHIEF TOPIC OF MORNING AND AFTERNOON CLOSED DOOR TALKS, INFORMANTS SAID. SEATO'S DEFENSES PREVIOUSLY HAVE BEEN GEARED AGAINST COMMUNIST MILITARY THREATS FROM THE OUTSIDE.

THE DELEGATES--MILITARY COMMANDERS FROM THE UNITED STATES, BRITAIN, FRANCE, AUSTRALIA, NEW ZEALAND, PAKISTAN, PHILIPPINES AND THAILAND--HELD LONG DISCUSSIONS. THE CONFERENCE CHAIRMAN, ADM. PAUL ORTOLI OF FRANCE, TOLD NEWSMEN "WE ARE IN COMPLETE AGREEMENT."

THERE WERE NO DETAILS AND NONE OF THE DELEGATES WOULD COMMENT IN ADVANCE OF TOMORROW'S CLOSING COMMUNIQUE. BUT A RELIABLE SOURCE REPORTED "THE UNITED STATES, THAILAND AND THE PHILIPPINES SET THE TONE FOR THIS CONFERENCE."

THE REFERENCE WAS TO WEDNESDAY'S OPENING DAY SPEECHES IN WHICH U.S., THAI AND PHILIPPINE DELEGATES VOICED GREAT CONCERN OVER SIGNS OF GROWING RED THREAT IN LAOS AND ITS INDOCHINA NEIGHBOR OF SOUTH VIET NAM.

LAOS AND SOUTH VIET NAM ARE NOT SEATO MEMBERS BUT THEY CONSIDERED THE HEART OF THE SEATO AREA AND ARE COVERED BY THE ALLIANCE'S CHARTER WHICH PERMITS SEATO TO ACT AT THE REQUEST OF THE GOVERNMENT INVOLVED IN CASE OF COMMUNIST AGGRESSION FROM THE OUTSIDE OR INTERNAL DISORDERS.

THAILAND IN PARTICULAR HAS BEEN PRESSING FOR SEATO ACTION SINCE THE AUGUST 9 MILITARY COUP OVERTHREW THE PRO-WEST GOVERNMENT AND INSTALLED THE PRESENT NEUTRALIST REGIME IN NEIGHBORING LAOS.

THAILAND INSISTS THAT COMMUNIST-LED PATHET LAO FORCES ARE USING THE NEUTRALISTS TO WORK THEIR WAY INTO POWER.

THAILAND CONTENDS THAT SEATO'S PRESENT DEFENSE PLANS ARE BASED ON A PRO-WEST LAOS ACTING AS A BUFFER BETWEEN ANTI-COMMUNIST ASIA AND ITS RED NEIGHBORS, CHINA AND NORTH VIET NAM, AND THAT THESE PLANS MUST NOW BE REVAMPED.

CONFERENCE SOURCES PICTURED THE PHILIPPINES AND THE UNITED STATES AS GOING ALONG FULLY WITH THAILAND.

IN OPENING DAY SPEECHES, DELEGATES OF THE TWO NATIONS ALSO NOTED SIGNS OF INSURGENCY IN SOUTH VIET NAM, WHERE ONLY LAST WEEKEND PARACHUTE TROOPS ROSE UP AGAINST PRO-WESTERN PRESIDENT NGO DINH DIEM.

FEAR IS THAT RED VIET CONG TERRORISTS MIGHT TAKE ADVANTAGE OF ANY CONTINUING UNREST IN SOUTH VIET NAM TO STEP UP THEIR CAMPAIGN OF HIT AND RUN ATTACKS.

J1124AES

TOKYO, NOV. 17 (AP)--THE COLOMBO PLAN CONFERENCE ENDED ON A DISCORDANT NOTE TODAY OVER A FILIPINO PROPOSAL TO SET UP MACHINERY FOR HANDLING CAPITAL AID PROJECTS.

THE 21-NATION MINISTERIAL COMMITTEE WRANGLLED FOR A FULL HOUR AFTER ITS SCHEDULED CLOSING OVER FILIPINO FOREIGN SECRETARY FELIXBERTO SERRANO'S REQUEST THAT AN ORGANIZATION BE CREATED TO HANDLE HIS PLAN.

SERRANO, WHO WANTED TO SET UP A CLEARING HOUSE TO MAKE LIAISON BETWEEN DONOR AND RECIPIENT COUNTRIES, WITHDREW HIS PROPOSAL AFTER

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THE BRITISH-AMERICAN OBJECTIONS.

13 44

SERRANO'S PLAN WOULD HAVE THE DONOR COUNTRIES INDICATE EACH YEAR HOW MUCH CASH OR CAPITAL EQUIPMENT THEY COULD MAKE AVAILABLE AS WELL AS CATEGORIES OF ACCEPTABLE PROJECTS. HE SUGGESTED THAT A COMMITTEE ESTABLISH LIAISON WITH DONOR COUNTRIES OVER TYPES OF PROJECTS THEN MAKE CONTACT WITH APPLICANTS TO WORK OUT THE TERMS OF THE PROJECT.

THE COLOMBO PLAN IS A LOOSE ORGANIZATION OF WEALTHY INDUSTRIAL COUNTRIES WHICH POUR AID ON A BILATERAL BASIS INTO 15 COUNTRIES OF SOUTHEAST ASIA. BRITAIN, NEW ZEALAND AND AUSTRALIA, WHO WITH THE UNITED STATES, JAPAN AND CANADA MAKE UP THE DONOR GROUP, OPPOSED SERRANO'S PROPOSAL AND ANOTHER BY BURMA ON THE GROUND THEY MIGHT WEAKEN THE COUNTRY-TO-COUNTRY BASIS OF THE PLAN.

SERRANO TOLD NEWSMEN HE HAD NO INTENTION OF ELIMINATING THE BILATERAL ARRANGEMENTS BUT MERELY WISHED TO AVOID THE PRESENT EMBARRASSMENT OF BEING TURNED DOWN IN REQUEST FOR AID.

16718AES

B17 Q

(350)

ADVANCE FOR USE AT 6 P.M. EST TODAY

BY JOSEPH E. DYNAN

(ADVANCE) PARIS, NOV. 17 (AP)--THE ORGANIZATION FOR EUROPEAN ECONOMIC COOPERATION (OEEC) URGED ITS MEMBERSTATES TODAY TO PUT OUT A WELCOME MAT FOR DOLLAR IMPORTS.

THE ANNOUNCED AIMS ARE TO HELP THE UNITED STATES ACHIEVE A REASONABLE EQUILIBRIUM IN WORLD TRADE AND AVOID A DRAIN ON AMERICA GOLD RESERVES.

THE OEEC MADE THIS RECOMMENDATION IN A REPORT ON THE U.S. ECONOMY IN THE FIRST HALF OF 1960. ALTHOUGH THE REPORT WAS BASED ON THE SITUATION AS OF JULY 1, IT ALSO INCLUDED SOME FIGURES FOR JULY AND AUGUST WHICH APPEARED TO BEAR OUT ITS FINDINGS FOR THE FIRST SIX MONTHS OF THE YEAR.

THE REPORT WAS ONE OF A SERIES ON THE ECONOMIC SITUATION IN NATIONS WHICH ARE MEMBERS OF THE OEEC OR ASSOCIATED WITH ITS WORK. THE UNITED STATES AND CANADA ARE ASSOCIATE MEMBERS OF THE ORGANIZATION, WHICH WAS ORIGINALLY ESTABLISHED TO HELP PARCEL OUT U.S. MARSHALL PLAN AID TO WESTERN EUROPE.

THE ORGANIZATION NOTED SOME IMPROVEMENT IN THE AMERICAN BALANCE OF PAYMENTS IN EARLY 1960 AS COMPARED WITH 1959, BUT IT SAID THE AMERICAN SITUATION STILL NEEDS ADJUSTMENT.

"THE OUTFLOW OF GOLD AND LIQUID DOLLAR ASSETS REMAINS HIGH, AND SUBSTANTIAL FURTHER IMPROVEMENT WILL BE NEEDED IN ORDER

TO ACHIEVE A REASONABLE EQUILIBRIUM," THE OEEC SAID.

THE OEEC SAID MEMBER-STATE AND OTHER MAJOR TRADING NATIONS--AN APPARENT REFERENCE TO JAPAN--SHOULD COOPERATE WITH "APPROPRIATE ECONOMIC POLICIES" IN THE U.S. DRIVE FOR A REASONABLE BALANCE OF TRADE IN WAYS WHICH WOULD AT THE SAME TIME EXPAND WORLD TRADE AND ECONOMIC ACTIVITY. THE REPORT DID NOT SPECIFY WHAT POLICIES WOULD BE

CONSIDERED APPROPRIATE, BUT IT WAS CLEAR IT MEANT FEWER RESTRICTIONS ON THE IMPORT OF AMERICAN GOODS.

THE OEEC EXPERTS NOTED A HIGHER RATE OF ECONOMIC GROWTH IN THE UNITED STATES WHICH, THEY SAID, "SHOULD NOT ENDANGER PRICE STABILITY OR THE FOREIGN BALANCE. THE CONSIDERABLE ENLARGEMENT OF CAPACITY OF RECENT YEARS SHOULD FACILITATE A RISSE IN OUTPUT PER MANHOUR."

"MOREOVER," THEY CONTINUED, "WITH AMPLE RESOURCES AVAILABLE IN THE ECONOMY, INCREASING DOMESTIC DEMANDS SHOULD NOT COME INTO CONFLICT WITH EXPORT REQUIREMENTS."

THE SURVEY FORECAST CONTINUED UNEMPLOYMENT IN THE U.S. AT A LEVEL "HIGHER THAN DESIRABLE" BECAUSE OF THE GROWTH OF THE LABOR FORCE AND PRODUCTIVE RESOURCES.

THE SURVEY CONCEDED THAT CHANGES IN THE TRADE BALANCE SITUATION ARE DIFFICULT TO EVALUATE, BECAUSE OF SHIFTS IN THE FLOW OF CAPITAL EXPORTS. THE FLOW TO CANADA WAS EXPECTED TO DECLINE, WHILE THE MOVEMENT OF FUNDS TO WESTERN EUROPE, WHERE CREDIT HAS GENERALLY TIGHTENED, WAS APT TO RISE.

THE OEEC PRAISED THE U.S. FOR CONTINUING ITS "VERY HIGH PRIORITY" TO AID FOR LESSDEVELOPED AREAS DESPITE ITS OWN BALANCE OF PAYMENTS PROBLEM.

JD345PES

B15 (Q IN) (420)

UNITED NATIONS, N. Y., NOV. 17 (AP)--AN INTERNATIONAL GROUP OF SCIENTISTS, AUTHORS AND POLITICAL LEADERS--INCLUDING 33 NOBEL PRIZE WINNERS--TODAY ASKED THE UNITED NATIONS TO TAKE THE LEAD IN ESTABLISHING A WORLD-WIDE POLICY OF BIRTH CONTROL.

SIR JULIAN HUXLEY, BRITISH BIOLOGIST AND AUTHOR, AND CASS CANFIELD, PRESIDENT OF THE PLANNED PARENTHOOD FEDERATION OF AMERICA, PRESENTED A "STATEMENT OF CONVICTION ABOUT OVERPOPULATION" ADDRESSED TO SECRETARY-GENERAL DAG HAMMARSKJOLD. IT WAS RECEIVED BY HAMMARSKJOLD'S EXECUTIVE ASSISTANT, ANDREW W. CORDIER.

SPONSORS SAID THE STATEMENT WAS SENT ALSO TO PRESIDENT-ELECT JOHN F. KENNEDY AND HEADS OF STATES OF ALL U.N. MEMBER NATIONS, INCLUDING PRESIDENT EISENHOWER. ITS SIGNERS INCLUDED CITIZENS OF 16 COUNTRIES, ALL SCIENTISTS, WRITERS, HEALTH EXPERTS, EDUCATORS AND POLITICAL LEADERS.

THE STATEMENT DECLARED THAT UNLESS A FAVORABLE BALANCE OF POPULATION AND RESOURCES IS ACHIEVED THE WORLD FACES THE PROSPECT OF A "DARK AGE OF HUMAN MISERY, FAMINE, UNDER-EDUCATION AND UNREST" WHICH COULD EXPLODE INTO WARS "TO APPROPRIATE THE DWINDLING MEANS OF SURVIVAL."

THE STATEMENT SAID THAT U.N. EXPERTS HAD ESTIMATED THE PRESENT WORLD POPULATION AT THREE BILLION AND PREDICTED IT WOULD REACH MORE THAN SIX BILLION BY THE END OF THIS CENTURY.

"WE BELIEVE," IT ADDED, "THAT WIDESPREAD, EFFECTIVE AND VOLUNTARY USE OF MEDICALLY SOUND AND INDIVIDUALLY ACCEPTABLE BIRTH CONTROL IS AN ESSENTIAL FACTOR IN ANY HUMANE DESIGN TO RAISE WORLD LIVING STANDARDS AND ACHIEVE INTERNATIONAL PEACE AS WELL AS SOCIAL AND FAMILY STABILITY."

SIGNERS OF THE STATEMENT CAME FROM AUSTRALIA, BRITAIN, CANADA, DENMARK, FINLAND, FRANCE, GERMANY, GHANA, ICELAND, INDIA, JAPAN, NORWAY, PAKISTAN, SWEDEN, SWITZERLAND AND THE UNITED STATES.

NOBEL WINNERS INCLUDED SIR NORMAL ANGELL, P.B. MEDAVAR, PHILIP NOEL-BAKER, LORD BOYD ORR, BERTRAND RUSSELL, SIR G.P. THOMPSON, ALL BRITAIN; ARTHUR COMPTON, EDWARD C. KENDALL, JOSHUA LEDERBERG, HERMANN J. MULLER, WENDELL M. STANLEY, HAROLD UREY, ALL UNITED STATES; MAX BORN AND OTTO HAHN, GERMANY; PAR LAGERKVIST, SWEDEN.

OTHER AMERICANS INCLUDED: DEAN ACHESON; BRUCE BARTON; JACQUES BARZUN; EUGENE R. BLACK; GEN. OMAR BRADLEY; ERNEST R. BREECH; DR. HARRISON S. BROWN; CASS CANFIELD; HENRY STEELE COMMAGER; DR. GEORGE CORNER; JOHN

COWLES; KINGSLEY DAVIS; WILLIAM H. DRAPER JR.; CYRUS EATON; RABBI MAURICE EISENDRATH; THE REV. HARRY EMERSON FOSDICK; GEN. JAMES GAVIN; JOHN GUNTHER; JUDGE LEARNED HAND; SEYMOUR E. HARRIS; MARK A. DEWOLFE HOWE; THE REV. MARTIN LUTHER KING; MRS. MARY LASKER; WILLIAM L. LAURENCE; ADVID E. LILIENTHAL; ARCHIBALD MACLEISH; MRS. AGNES E. MEYER; MALCOLM MUIR; LEWIS MUMFORD; DR. REINHOLD NIEBUHR; PAUL H. NITZE; CLARENCE E. PICKETT; BISHOP JAMES A. PIKE; ELEANOR ROOSEVELT; DR. JONAS SALK; ARTHUR M. SCHLESINGER SR.; HARLOW SHAPLEY; VINCENT SHEEHAN; DR. ERNEST L. STEBBINS; WARREN WEAVER; DEWITT WALLACE; SUMNER WELLES.

JD330PES

A112

UNITED NATIONS, N.Y., NOV. 17 (AP)--LAW PROFESSOR GAETANO MORELLI OF ITALY AND PERU'S EX-PRESIDENT JOSE LUIS BUSTAMANTE Y RIVERO WERE ELECTED BY THE U.N. ASSEMBLY TODAY TO THE INTERNATIONAL COURT OF JUSTICE IN THE HAGUE.

FOUR OTHER VACANCIES ON THE 15-MAN COURT WERE FILLED YESTERDAY. PHILIP C. JESSUP, COLUMBIA UNIVERSITY LAW PROFESSOR AND FORMER U.S. DIPLOMAT; CHIEF JUSTICE KOTARO TANAKA OF THE JAPANESE SUPREME COURT, AND VLADIMIR S. KORETSKY, SOVIET PROFESSOR-JURIST, WERE ELECTED TO 9-YEAR TERMS. SIR GERALD FITZMAURICE, A BRITISH LAWYER WHO HELPED DRAFT THE STATUTE OF THE COURT IN 1945, WAS NAMED TO SERVE A SHORTER TERM VACATED BY A DEATH.

DS1024PES

B3WX (Q)

(330) WASHINGTON, NOV. 17 (AP)--COUNSEL FOR CARL BRADEN, OF LOUISVILLE ARGUED BEFORE THE SUPREME COURT TODAY FOR REVERSAL OF HIS CONTEMPT OF CONGRESS CONVICTION.

BRADEN WAS SENTENCED TO A YEAR'S IMPRISONMENT FOR FAILURE TO ANSWER QUESTIONS OF A HOUSE UN-AMERICAN ACTIVITIES SUBCOMMITTEE IN ATLANTA ON JULY 30, 1958. THE SUBCOMMITTEE AT THE TIME WAS INVESTIGATING COMMUNISM IN THE SOUTH.

BRADEN CONTENDED THE HOUSE COMMITTEE IS "A MAJOR REPRESSIVE FORCE" AGAINST THE EXERCISE OF CONSTITUTIONAL RIGHTS OF FREE SPEECH. HE CONTENDED THE COMMITTEE'S SUBPOENA TO HIM WAS INTENDED TO HAMPER HIS WORK AS AN ADVOCATE OF INTEGRATION AND WAS IN RETALIATION FOR HIS CRITICISMS OF THE COMMITTEE.

LEONARD B. BOUDIN, OF NEW YORK CITY, AND JOHN N. COE, OF PENSACOLA, FLA., IN ARGUING BRADEN'S APPEAL CONTENDED THE FIRST AMENDMENT BARRED THE COMMITTEE FROM QUESTIONING HIS POLITICAL AND JOURNALISTIC ACTIVITIES WHICH HE SAID WERE "UNRELATED TO POSSIBLE OVERTHROW" OF THE GOVERNMENT.

THE ATTORNEYS ALSO QUESTIONED WHETHER THERE WAS A VALID LEGISLATIVE PURPOSE IN THE QUERIES PUT TO BRADEN. FIVE OF THE QUESTIONS ASKED HIM, BRADEN'S COUNSEL ARGUED, HAD NO RELATION TO COMMUNISM OR TO THE OVERTHROW OF GOVERNMENTS. THE SIXTH QUESTION, THEY SAID, INVOLVED COMMUNIST PARTY MEMBERSHIP, BUT ONLY IN THE CONTEXT OF AN INQUIRY ABOUT A PETITION DIRECTED TO CONGRESS, RATHER THAN AN INVESTIGATION OF THE COMMUNIST PARTY.

J. WALTER YEAGLEY ASSISTANT U.S. ATTORNEY GENERAL, IN REPLY ARGUED THAT THE SIX QUESTIONS WERE CLEARLY PERTINENT TO THE COMMITTEE INQUIRY.

YEAGLEY SAID THE COMMITTEE HAD INFORMATION THAT BRADEN WAS A COMMUNIST PARTY MEMBER WHO WAS ACTIVE IN PARTY WORK IN THE SOUTH.

YEAGLEY CONTENDED THE QUESTIONS COULD BE CONSIDERED INTRODUCTORY QUESTIONS WHICH WOULD HAVE SHOWN WHETHER BRADEN COULD HAVE GIVEN FURTHER INFORMATION ON THE SUBJECTS.

THE HIGH TRIBUNAL ALSO HEARD ARGUMENTS TODAY ON AN APPEAL BY FRANK WILKINSON, OF LOS ANGELES, WHO REFUSED TO TELL THE SUBCOMMITTEE IN ATLANTA IF HE WAS A COMMUNIST PARTY MEMBER.

WILKINSON LIKEWISE WAS SENTENCED TO A YEAR IN PRISON. HIS APPEAL QUESTIONED WHETHER CONGRESS HAD AUTHORIZED THE COMMITTEE TO INVESTIGATE PUBLIC OPPOSITION TO THE GROUP.

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End. Nov 17